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the context of his question?

MR. SABA: Thank you. It's my deposition, not your deposition. You can ask him questions, Michael. The issue is -- he indicated he

understands --

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MR. CIOFFI: You've asked the question three times --

MR. SABA: It's not if you understand.

MR. CIOFFI: Emphasizing the word necessary.

MR. SABA: No, I haven't.

MR. CIOFFI: You have. You're using it as a term of art. That's the point of the objection.

MR. SABA: No, I'm not. I asked if he understands. He understands. Whether or not you want to interrupt and put your own answer in is not -- it's not appropriate.

MR. CIOFFI: The objection is our only way to have a clear record. If you can answer the question, answer the question.

THE WITNESS: Let me -- let me try and answer the question, what I think you're referring.

The board's not required to have an independent third-party assessment. The board elected and they felt that -- that as a good part of their due diligence in assessing talent that

Page 53 would be the next CEO of the company, you get a third-party opinion, understand how that individual, against their database of other CEOs would stack up, and Tim stacked up exceptionally well top core down. All right?

They wanted that confirmation. They felt that they would like to have that confirmation and validation. That was their decision. Whether it was necessary or not, they obviously wanted to do it. Whether they thought that was necessary or not, that was the board's decision. I wasn't in that conversation.

13 BY MR. SABA:

Q. You were a member of the board at that time, correct?

A. I was a member of the board, but not -- when 17 the board has an executive session, I step out. So I am not in an executive session of independent directors where those conversations could happen.

Q. With respect to -- let me -- let me ask you ²¹ this a different way.

22 Was -- was Tim Spence going to be made president of Fifth Third Bank without being vetted by 24 RHR?

A. I can't answer that.

MR. CIOFFI: Yeah, objection to the form of the question. Calls for speculation.

THE WITNESS: I won't speculate. I can't answer. This is a board process. They take it very seriously. We have a lot of very successful board members who take this job very seriously. They're independent. I don't rubber stamp anything. This was not my recommendation. This was the board's decision. The board wanted RHR. I have no clue whether they felt that that was a mandated requirement, that they had to do it. They did it. It was a request.

13 BY MR. SABA:

Q. Referring back to paragraph 11, the first sentence reads, the bank did not conceal this vetting ¹⁶ activity, which was widely known across the bank. What ¹⁷ does that mean, it was "widely known across the bank"?

A. Once again, this was written some time ago, 19 but what I believe that -- widely known across the bank, 20 is that when they brought in RHR as part of the vetting process with Tim Spence, right, that process involved peers being interviewed by RHR, Guy in particular, 23 Odyne. It also involved subordinates, reports of Tim Spence, being interviewed as part of the process. It 25 involved a lot of things, reaffirming the CEO profile,

the winning formula.

So that was known, and I think they brought in quite a few of his peers and quite a few of his direct 4 reports. So when it says it was known, it was also known to Phil McHugh that Tim was being put through the 6 vetting process. Phil McHugh was part of the vetting process. Phil McHugh didn't have any objections. When you look at the feedback that was -- that was --9 that was put together by RHR from his peers and his 10 subordinates, Tim got very high marks, all right? There 11 was no one stepping up and saying this person was not 12 the right individual to become the CEO or president of the company.

14 So when I say it was known, there was many people involved in this vetting process of Tim for the next president of Fifth Third Bank.

17 Q. All right. Did you have any conversations 18 with Phil McHugh about him being involved in the vetting 19 process by RHR of Tim Spence for president of Fifth 20 Third Bank?

A. I believe that I spoke with each one of Tim's 22 peers to let them know that they would be involved in 23 this process. It would have been irresponsible of me 24 not to communicate to them that this process was going 25 to take place and that they would be involved in this

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Page 56 process. I would not want them surprised by someone 2 from the outside reaching in to them and out to them and asking them for information on a peer of theirs without understanding the process.

So as I would always do, I would absolutely 6 have talked to each of these individuals that was a peer 7 of Tim Spence and informed them of the process and what was going to take place.

- Q. When did you have this conversation with Phil 10 McHugh?
- A. I can't answer that question. I don't have 12 the -- I don't have that in front of me.
- O. What do you recall about the conversation you 14 had with Phil McHugh, about RHR vetting Tim Spence?
- A. I don't -- I don't really recall the 16 conversation with respect to -- I just let them know it was going to -- it was going to transpire. I don't 18 recall Phil reacting -- Phil McHugh reacting to that, those statements. He never said -- he definitely never 20 said why am I not being vetted? Why am I not being considered for the president because you've -- you've promised me in some way that I would be that? Never a conversation of that nature.

I would have informed him it was going to 25 happen, and I think he acknowledged that. He didn't

come back and ask me or why this or why that? He said he would -- he would talk to him when he call him. That's what I remember.

Q. Do you recall anything specifically that was said during that conversation?

MR. CIOFFI: Objection. He just answered the question.

MR. SABA: He told me what wasn't said. I'm trying to -- I'm trying to have you tell me what specifically was said.

THE WITNESS: I cannot recall anything Phil said except where he would be prepared to take the conversation and participate. I'm not aware of anything more than that, and I cannot recall anything more than that about that conversation.

16 BY MR. SABA:

> Q. Can you recall anything you specifically said? MR. CIOFFI: Objection. He answered the question.

THE WITNESS: I just informed him that this process was going to take place, that Tim was being assessed by a third party for potential president of CEO -- of Fifth Third Bank, and that they would be part of that vetting process. And you would -so expect a call from this individual and he's

going to want an interview. That's the only conversation I had.

3 BY MR. SABA:

Q. And that conversation, was that documented anywhere in writing?

- A. I did not document every one of these conversations with every one of his peers or subordinates if I talked to them. I just informed them that was going to happen. I did not write anything 10 down.
- 11 Q. Did you indicate to any of these individuals 12 that Tim is -- the timing for when Tim would be succeeding you as president and CEO?
- A. It's not my decision. That's the board's 15 decision. I would never ever talk about the timing of a decision of that nature when it's not my decision. It's 17 the board's decision.

I'm going back; RHR would have required me, by the way, in conversations with Guy, to make sure 20 that these individuals were going to be informed that 21 they were going to be getting a phone call from his 22 organization.

So that is what -- also, as I remember back, I would have did it anyway, but he reminded me it has to be done before he makes a call in to them so they're not

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surprised, so.

Q. So with respect to these conversations you had with these individuals, you wouldn't have necessarily indicated any timing of when Tim Spence would become president and/or CEO --

MR. CIOFFI: Objection. Asked and answered. Counsel, you -- you keep repeating questions, and I'll remind you of the court's order. You're only permitted to go a second day if the questions aren't redundant. This is sort of the third time you've asked him that question.

MR. SABA: They're not redundant questions.

MR. CIOFFI: He can answer.

It is a redundant question. The record will speak for itself. I mean, it's not the only redundant question in the first hour.

MR. SABA: Michael --

MR. CIOFFI: Could you repeat the question, please?

(The record was read.)

MR. CIOFFI: Objection. Asked and answered.

Twice already. But you may answer it again.

THE WITNESS: I would never provide timing to anybody when I don't know the timing myself. And this is a decision the board makes. And

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      obviously, the vetting process is the vetting
                                                                          Who is that referring to, "the same protected
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      process, and the board makes decisions based on the
                                                                   age classification" as whom?
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      outcomes of those processes.
                                                                         MR. CIOFFI: Objection. It calls for a legal
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 4 BY MR. SABA:
                                                                      conclusion. If you can answer.
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      Q. During this conversation you had with Phil
                                                                         THE WITNESS: I would just be making -- I
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 6 McHugh about the vetting process, did you specifically
                                                                      mean, I would assume we're talking about Phil
                                                                 7
 7 indicate to him that he was not being considered for
                                                                      McHugh here, same protected class. That's an
   president and/or CEO?
                                                                      assumption, but I don't -- I don't know why else it
                                                                 9
      A. I would never have that conversation about him
                                                                      would be in there.
10 not being vetted for CEO or president because he was
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                                                                   BY MR. SABA:
   never considered. He knows he was never considered, all
                                                                      Q. What is your understanding of what constitutes
12 right? That's why he never responded back when I told
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                                                                   age discrimination?
13 him that RHR was coming in to assess Tim and vet Tim; he
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                                                                          MR. CIOFFI: Objection. Calls for a legal
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14 never once said why not me, because he was never being
                                                                      conclusion.
  considered. He knew he wasn't being considered because
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                                                                   BY MR. SABA:
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16 he wasn't qualified. At no discussion ever with Phil
                                                                      Q. I'm asking for your understanding. Go ahead.
17 McHugh did we ever talk about him being the permanent
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                                                                          MR. CIOFFI: Well, his understanding is
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18 future leader of Fifth Third Bank as a CEO. We never
                                                                      irrelevant, Counsel, and it's beyond the scope of
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   had a conversation of that nature. Never happened.
                                                                      discovery.
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      Q. Did you, during this conversation you had with
                                                                          MR. SABA: Go ahead.
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   Phil McHugh about Tim Spence being vetted by RHR -- did
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                                                                         MR. CIOFFI: If you can answer.
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   you indicate to Phil McHugh that you were not going to
                                                                          THE WITNESS: Discrimination of an action,
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   recommend him as president and CEO succeeding you?
                                                                      someone that is, legally, I guess, above 40 years
                                                                24
      A. I never had a conversation about recommending
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                                                                      old, that you're -- you're doing and taking an
25 him as president/CEO succeeding me. The only
                                                                25
                                                                      action, based on their age, that's detrimental to
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   conversation that ever occurred with Phil McHugh was
                                                                      them, would be my understanding of age
                                                                 2
 would he be interested, if something happened to me and
                                                                      discrimination. You're making decisions based on
                                                                 3
 3 I had to step out, would he be interested to be
                                                                      age.
                                                                 <sup>4</sup>BY MR. SABA:
 4 considered as an emergency successor if the board wanted
 5 him to step into that role? It's a board decision
                                                                      Q. Did you believe that, because Tim Spence was
 6 again. My job is to make sure that the individual would
                                                                   over the age of 40, that you were free to make a
   be willing to do that as an emergency successor. That's
                                                                   decision based upon age with respect to Phil McHugh?
                                                                 8
   keeping the lights on, keeping the trains on the track,
                                                                         MR. CIOFFI: Objection. Assumes facts not in
   keeping things moving forward until the board completed
                                                                 9
                                                                      evidence, and no decision was -- was based on age.
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10 their process. That was the only conversation, ever, I
                                                                      That's what he just testified to. Could you repeat
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   had with Phil McHugh about, quote, CEO job, and it was
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                                                                      -- read the question back.
                                                                12
   an emergency successor.
                                                                          MR. SABA: Re-read the question, then.
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         MR. SABA: If we can go off the record.
                                                                          (The record was read.)
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         THE VIDEOGRAPHER: It's 10:56 a.m. We're
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                                                                         THE WITNESS: Yes.
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      going off the record.
                                                                   BY MR. SABA:
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         (A recess was taken from 10:56 to 11:14.)
                                                                      Q. Did you believe that, because Tim Spence was
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         THE VIDEOGRAPHER: The time is 11:14 a.m.
                                                                over the age of 40, that you were free to make a
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      We're back on the record.
                                                                   decision regarding Phil McHugh, based upon age?
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   BY MR. SABA:
                                                                      A. I don't ever make age a factor in any
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                                                                <sup>20</sup> discussion on this topic. This is -- at the end of the
      Q. Mr. Carmichael, referring you back to
   Exhibit 2, paragraph number 10 of the counterclaim, and
                                                                21 day, it's based on qualifications. Phil was not
21
<sup>22</sup> I'm on page 21.
                                                                22 qualified for the CEO, so he was never considered. It
                                                                had nothing do with his age. He just wasn't qualified.
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         The last sentence of paragraph 10 reads,
   Mr. Spence is in the same protected age classification
                                                                <sup>24</sup> I can give you all the examples of why he wasn't
<sup>25</sup> of over 40.
                                                                25 qualified. I'm sure you'll ask.
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Page 64 But at the end of the day, I don't make 2 decisions based on age, and we didn't do anything with respect to succession planning because of Tim's age or 4 Phil's age.

- Q. Is age included in a factor with respect to 6 CEO and president/CEO succession planning at Fifth Third 7 Bank?
- A. I've never had a conversation with the board, and the board's never asked me anything with respect to 10 someone's age. It's based on the merits of their qualifications to elevate to higher levels in the organization and potentially CEO.
- Q. Do you believe it would be inappropriate for 14 the board to make a decision based upon the president or CEO succession and use age as a factor?

MR. CIOFFI: Objection. Asked and answered. He said it wasn't a factor. You can answer it again, if you can.

THE WITNESS: Wasn't a factor.

20 BY MR. SABA:

Q. That wasn't my question. I didn't ask if it was a factor. I'm asking if you believe it would be inappropriate for the board to use age as a factor with respect to succession planning of the president or CEO at Fifth Third Bank.

> Page 65 MR. CIOFFI: Objection. Completely redundant.

You asked if it was a factor, he said it wasn't a factor. Now you're asking him again.

MR. SABA: I'm asking him. No, no, no.

That's not my question. You can answer whatever question you want to in your own mind, Michael.

BY MR. SABA:

Q. My question is, is it inappropriate, in your opinion, for the bank to use -- excuse me.

Is it inappropriate, in your opinion, for the board to use age as a factor with respect to succession planning of the president or CEO at Fifth Third Bank?

- A. The board never used age as a factor. I never 14 had to reason to be concerned about that because it was 15 never brought up, never a factor. And I wouldn't expect 16 them to make it a factor. I understand it's about qualifications, not about age, so would it be inappropriate? Absolutely. But it was never discussed because it was never brought forth.
- 20 Q. You did recognize that, with respect to CEO 21 and president succession planning at Fifth Third Bank, 22 that it was important to make sure that the candidate had a long enough runway to be able to take on that 24 position; is that right?

MR. CIOFFI: Objection to the form of the

Page 66 question. There's nothing in testimony that says he believed that.

THE WITNESS: It's the board's decision on who becomes the CEO. My beliefs are irrelevant in this case; it's the board's decision. And the board may factor in, in their decision, the longevity of an individual in that position, not based on age but could be because the individual only wants to work two or three more years. That might be a factor in their decision to put someone in that role because it takes time to put someone in that role; it takes time for them to develop into that role. It takes time to have the next successor brought forth in that role.

So if that individual only wants to work three or four more years, the board would consider something like that, all right? But they wouldn't consider age beyond that. That's really a timeline, not an age thing.

20 BY MR. SABA:

Q. If you could turn to paragraph 13 of the counterclaim, page 22. It reads, in addition, multiple ²³ executives conferred with plaintiff that Mr. Spence was being vetted for president/CEO succession purposes. At no time did plaintiff object or state that he,

Page 67

plaintiff, should be president or should be CEO.

Do you see that?

A. I do.

- Q. Who are the "multiple executives"?
- A. They would have been the other executives that were part of the vetting process, would have been Tim Spence's peers.
- Q. Do you recall specifically who those multiple executives were?
- A. I know Tayfun Tuzun was one of those 11 individuals. I believe Lars Anderson was one of those 12 individuals. I believe Bob Shaffer may have been one of 13 those individuals. I'm speculating, but there is a list 14 of, I think, you know, six, seven individuals that were 15 considered peers that were vetted in this process. I 16 don't have that list in front of me.
- Q. And when did these individuals confer with ¹⁸ Phil McHugh that Mr. Spence was being vetted for president and CEO succession purposes?
- 20 A. It's my understanding that conversations 21 occurred that -- when Tim was going through the process, 22 my understanding, from an individual -- that an 23 individual was asked what the process was for. An ²⁴ individual also had conversations with Phil and was 25 clear that it was -- they all understood that this was

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1 about vetting Tim as a potential president.

Once again, I made that clear to each of them, that this vetting process and this assessment was about 4 Tim becoming president. So it wasn't a secret. 5 Everyone understood what this was about that he was going to be vetted, and his peers knew he was being vetted for the president, including Phil McHugh, who, by the way, never came to me and said, why not me? What's

Once again, all the peers were communicated he was being vetted as the potential president. Did they talk among themselves? I believe they did; I heard 13 that. I don't have that documented, but comments were made to me that we all knew what was going on.

Q. Who made those comments to you?

going on? Why am I not being vetted?

- A. Jamie Leonard made those comments; Tayfun Tuzun would have made those comments to me.
- O. When did Jamie Leonard and Tayfun Tuzun make these comments to you?
- A. Jamie's comment was made to me weeks after -weeks after -- a week or so after Phil left -- somewhere shortly thereafter when Phil walked out and quit.
 - Q. Had a lawsuit already been filed?
- A. I don't know what the time exactly was, to be 25 honest with you.

Q. And what specifically did Jamie Leonard say?

A. It was -- it was in conversation that, not sure what's going on. We all knew that -- that Tim was 4 being vetted for the president. Not sure what the issue is here. Something to that extent. I didn't write it 6 down. I don't know exactly verbatim. But indicating that they had -- that they were aware. Of course they were aware because they were -- they were told.

- Q. And what did Tayfun Tuzun say to you?
- A. When Phil refused to do the job and quit --11 and I'm not sure the exact timing of that -- Tayfun was 12 in my office and said, hey, we all knew what was going 13 on. This is the -- he knew what was going on. This is 14 not a -- this is not a surprise. Everyone knew what was going on. We were all part of the process. Something to that extent. I don't -- I didn't record it; I didn't write it down.
- Q. Do you recall any other conversations with --19 do you recall any other conversations regarding what ²⁰ Phil McHugh knew with anyone other than Jamie Leonard or 21 Tayfun Tuzun?
 - A. Repeat the question, please?
- Q. Sure. You were identifying the multiple ²⁴ executives that you believe conferred with Mr. McHugh ²⁵ regarding Mr. Spence being vetted for president and CEO

Page 70 succession purposes. And you referred to Bob Shaffer, Lars Anderson, Tayfun Tuzun and Jamie Leonard.

I asked you, when did these conversations occur; when did you become aware of them? You identified two conversations, one with Jamie Leonard and Tayfun Tuzun. I'm wondering if you can identify any other conversations with any other executives who indicated that Phil McHugh knew that Tim Spence was being vetted for president and CEO.

MR. CIOFFI: Wait. By way of objection, that was a long question, which I couldn't follow. Could you just read the whole question back? (Record was read.)

MR. CIOFFI: Objection to the form of the question because it's several questions. But if you can answer, you may. Go ahead.

THE WITNESS: Obviously, Bob Shaffer was -was -- was having conversations. Once again, when -- when Phil quit the bank and refused to do the consumer job -- which is a top five job in the company, all right, which is substantially different than -- than -- than the position was prior -- it was never about him not becoming the president or CEO. All right? He walked out and said, I won't report to Tim Spence. I'm not going

to do the consumer job. I refuse it -- he refused to do the job he was offered; he refused to work for Tim Spence. All right?

Had nothing ever to do about him should have been the CEO, could have been the CEO, or promised the CEO. That was an after the fact once the -and when the suit was filed, that was the first I became aware that he believed that. And at the end of the day, that was an afterthought. It was never ever part of any conversation.

11 BY MR. SABA:

Q. Referring to paragraph 14, the counterclaim. It reads, at the bank's September 2020 board meeting, ¹⁴ Fifth Third Bank's board of directors met with the executive development agency to discuss the vetting of Mr. Spence. Plaintiff was aware of this meeting.

When the executive development agency meets with the board to discuss the vetting of Mr. Spence, 19 who's present at that board meeting?

20 A. Well, it would have been the board. It would 21 have been the -- Bob Shaffer would have most likely been 22 there. I can't remember exactly. Myself, I would have been there for that -- for that review. Good chance we would have had -- Susan Zaunbrecher potentially could 25 have been there. Myself and Bob would have definitely

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